

UNITED STATES DEPARTMENT OF AGRICULTURE

Farm Service Agency
Washington, DC 20250

Notice LP-1717

For: State and County Offices

Clarifying the 2000 Mohair Recourse Loan Program

Approved by: Deputy Administrator, Farm Programs



1 Overview

A

Background

The Agricultural, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2000 (2000 Act), provides for the availability of recourse loans to producers of mohair produced during or before FY 2000.

Notice LP-1713 announced the 2000 Mohair Recourse Loan Program.

B

Purpose

This notice provides clarification on handling the following under the Mohair Recourse Loan Program:

- eligibility requirements
- interest
- disbursements of loan proceeds
- forms.

C

Action

State Offices shall immediately publicize the contents of this notice to the maximum extent possible.

County Offices shall:

- immediately notify producers
- accept applications.

Disposal Date

October 1, 2000

Distribution

State Offices; State Offices relay to County Offices

Notice LP-1717

2 General Information

A

Sources of Authority

The source of authority for the Mohair Recourse Loan Program is the 2000 Act (Pub. L. 106-78) and the regulation at 7 CFR Part 1469.

B

Program Availability

The Mohair Recourse Loan Program authorizes CCC to make available to producers a 12-month recourse loan on mohair produced during or before FY 2000. The final loan availability date is September 30, 2000.

C

Disbursements of Proceeds

Do not process mohair loans until **after** January 1, 2000.

D

Interest

Interest will accrue on outstanding balances from the date of disbursement until repayment. **All** FY 2000 mohair loans **will** accrue interest as provided in 50-FI.

E

Forms

The language has been revised on CCC-601(MH) to reflect policy changes in this notice. The **new** CCC-601(MH) should be used for all FY 2000 loans. This revised form will be available on the PSD Homepage and BBS.

F

Eligible Mohair

To be eligible for a FY 2000 mohair recourse loan, the mohair must:

- **not** have received a loan under the previous Mohair Recourse Loan Program
 - have been produced by an eligible producer
 - have been produced in the United States before or during FY 2000
 - have been shorn from Angora goats owned by the eligible producer for not less than 180 calendar days, except for kids younger than 180 days
 - be stored in a warehouse
 - be of merchantable quality deemed by CCC to be suitable for loan
 - be stored in acceptable bags.
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